



FEDERAL TRANSIT ADMINISTRATION

Transit Asset Management (TAM)

Notice of Proposed Rulemaking (NPRM)

October 2015



U.S. Department of Transportation
Federal Transit Administration

Today's Presentation

- Transit Asset Management Background
- NPRM Outline
- Tools
- Next Steps



This Webinar Is:

- A forum for FTA to explain what is covered in the NPRM
- This webinar will be recorded and transcribed
- A copy of this presentation will be publicly available in the NPRM docket and on FTA's website.

This is not:

- A public hearing for providing comments or posing questions about implementation
- A forum to discuss issues not included in the NPRM

About Questions

We can discuss clarifying questions

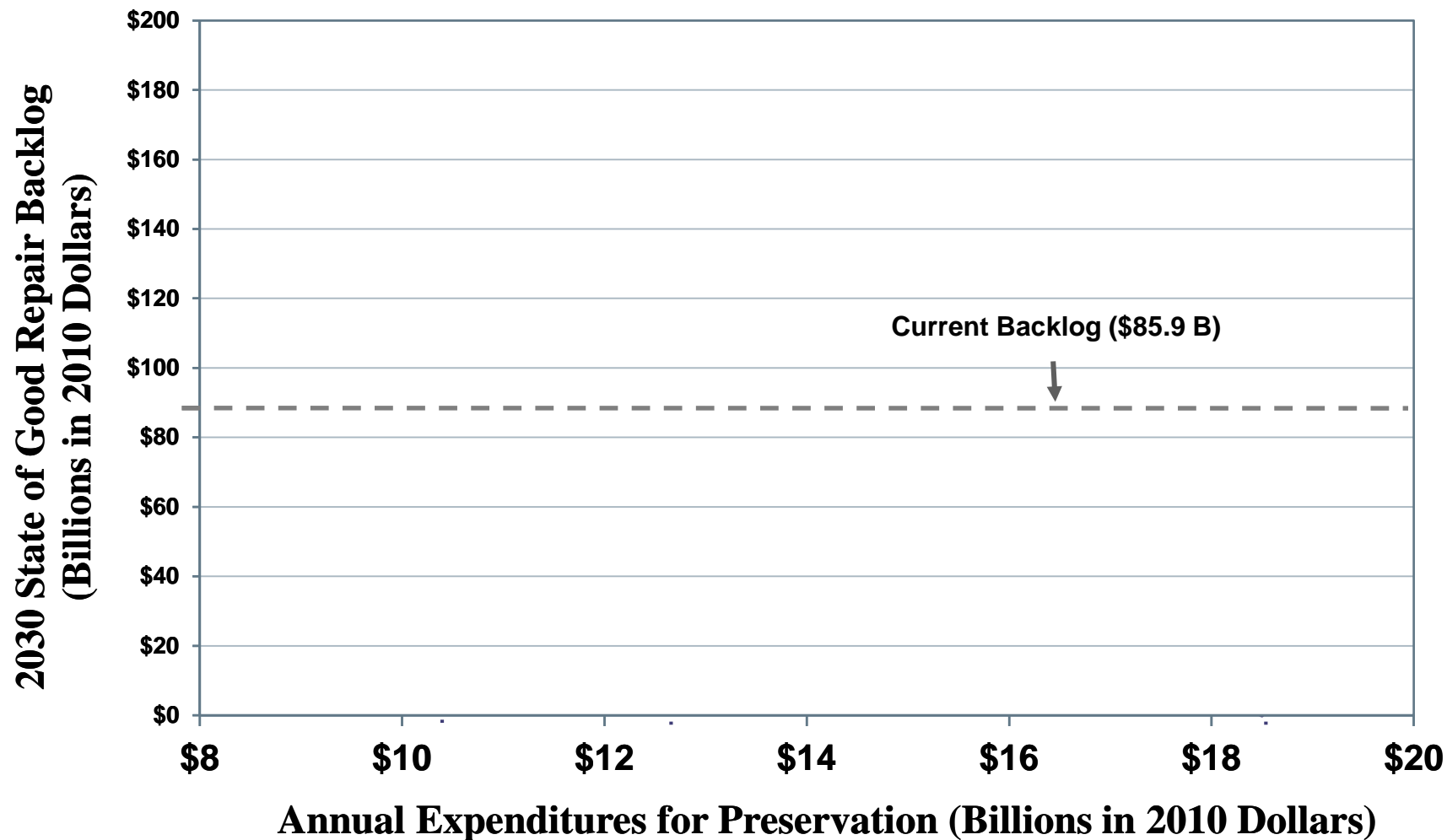
We **cannot** discuss:

- Questions about implementation
- Comments about implementation
- Suggestions related to proposals

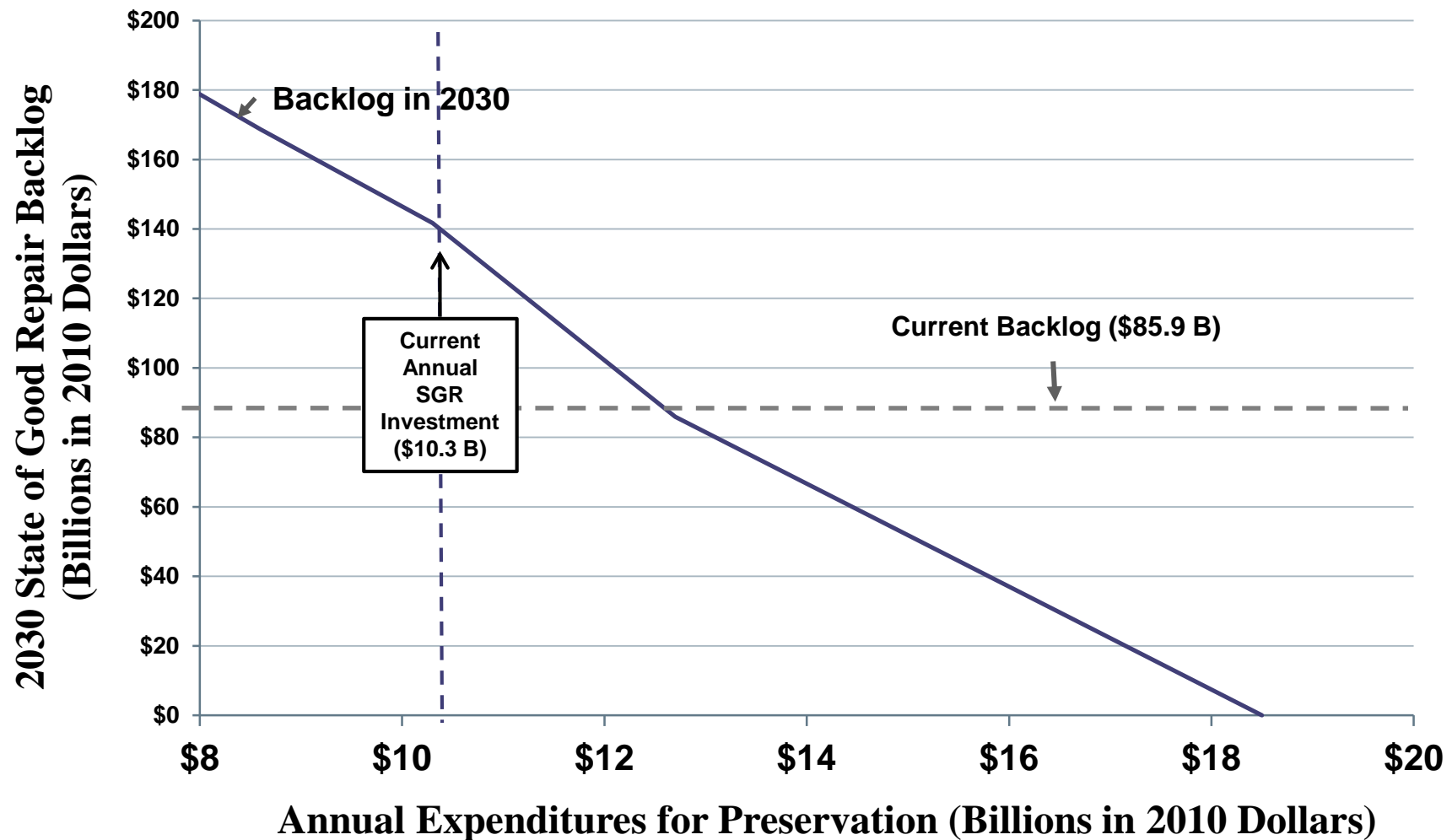
What is Transit Asset Management?

Transit Asset Management (TAM) is a **business model** that uses the **condition of assets** to guide the **optimal prioritization of funding** at transit properties in order to keep our transit networks in a **State of Good Repair (SGR)**.

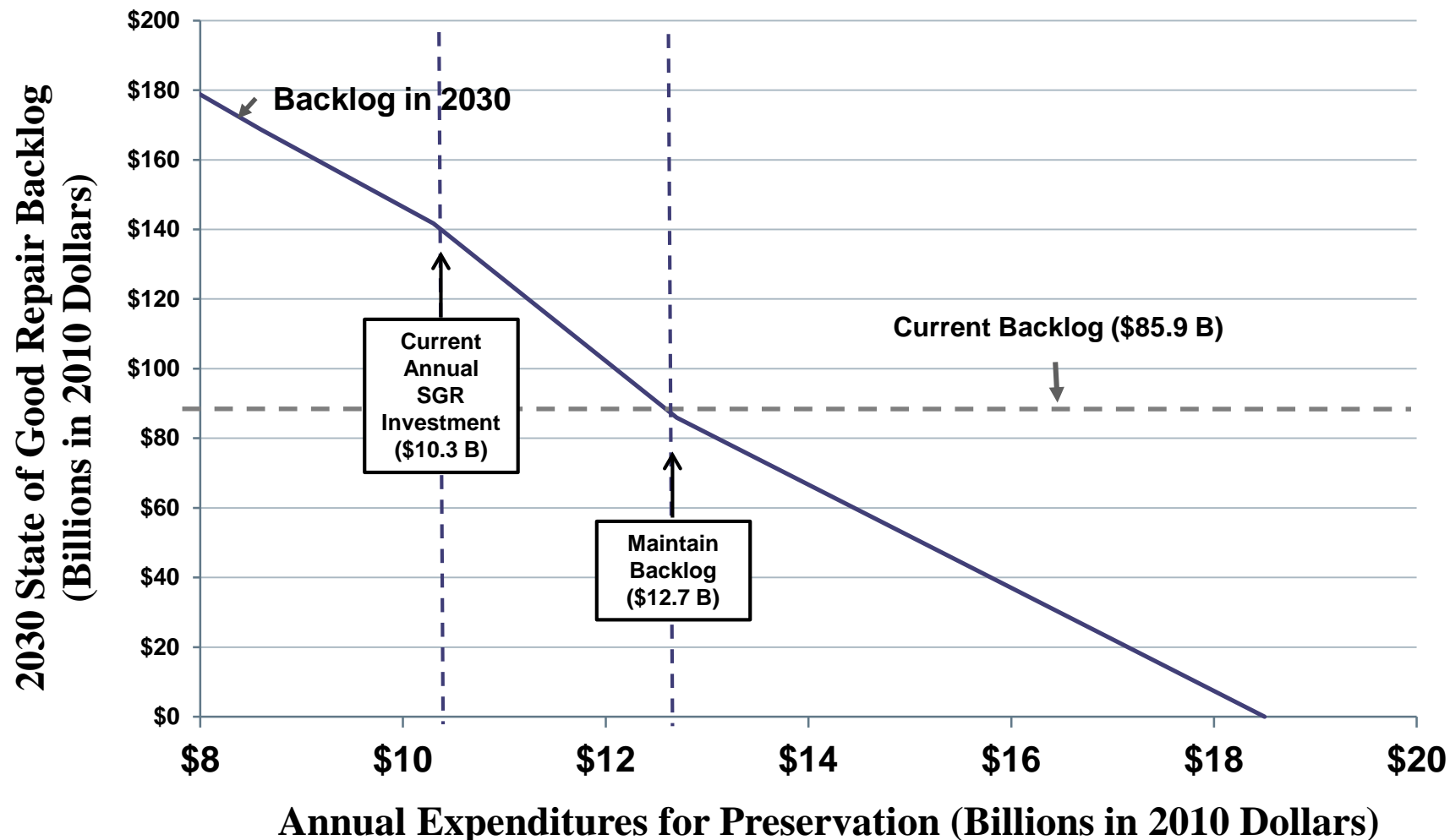
Transit Asset Management: *Background*



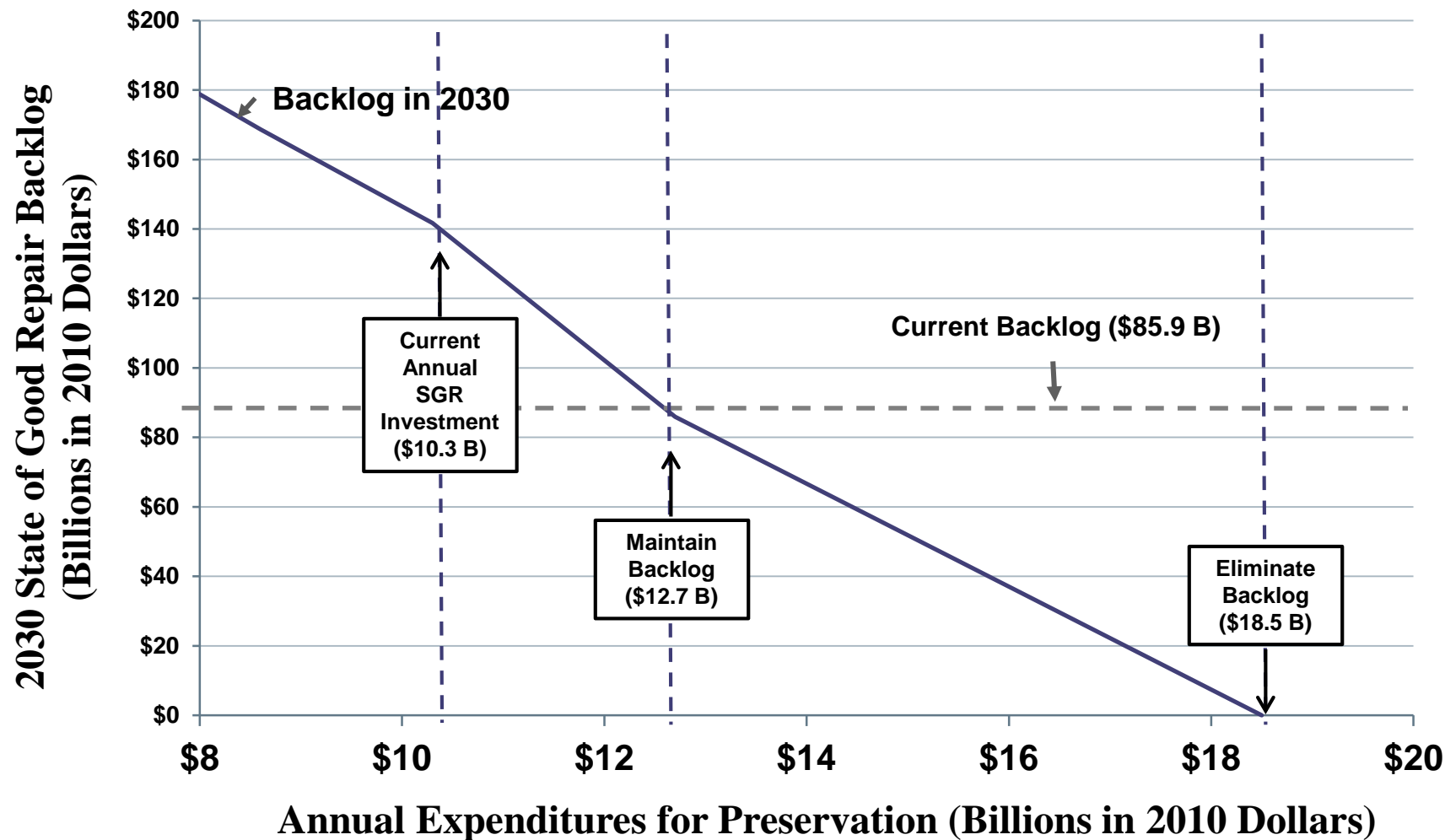
Transit Asset Management: *Background*



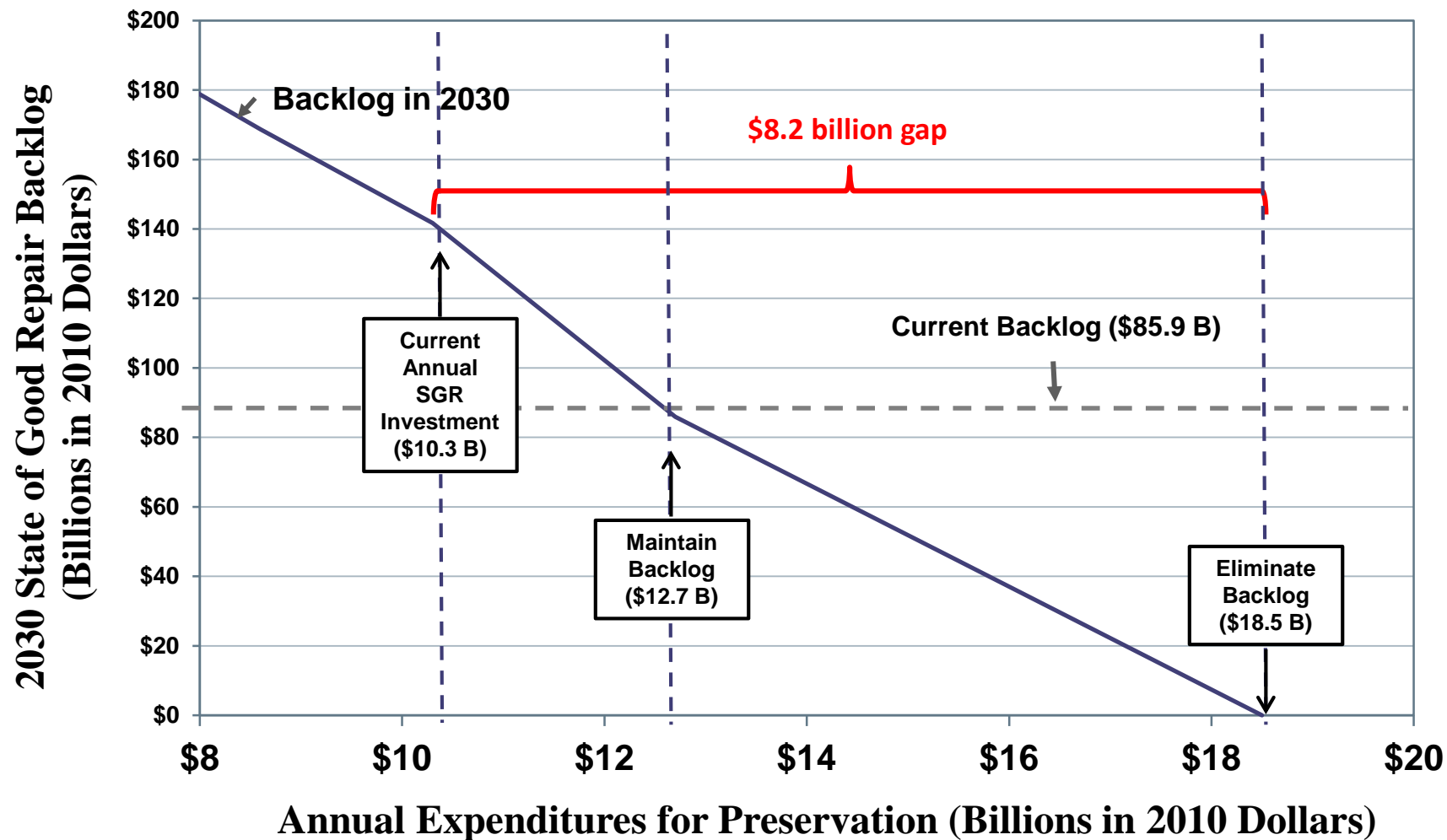
Transit Asset Management: *Background*



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Transit Asset Management: *Background*



MAP-21 Performance Management Framework

FTA

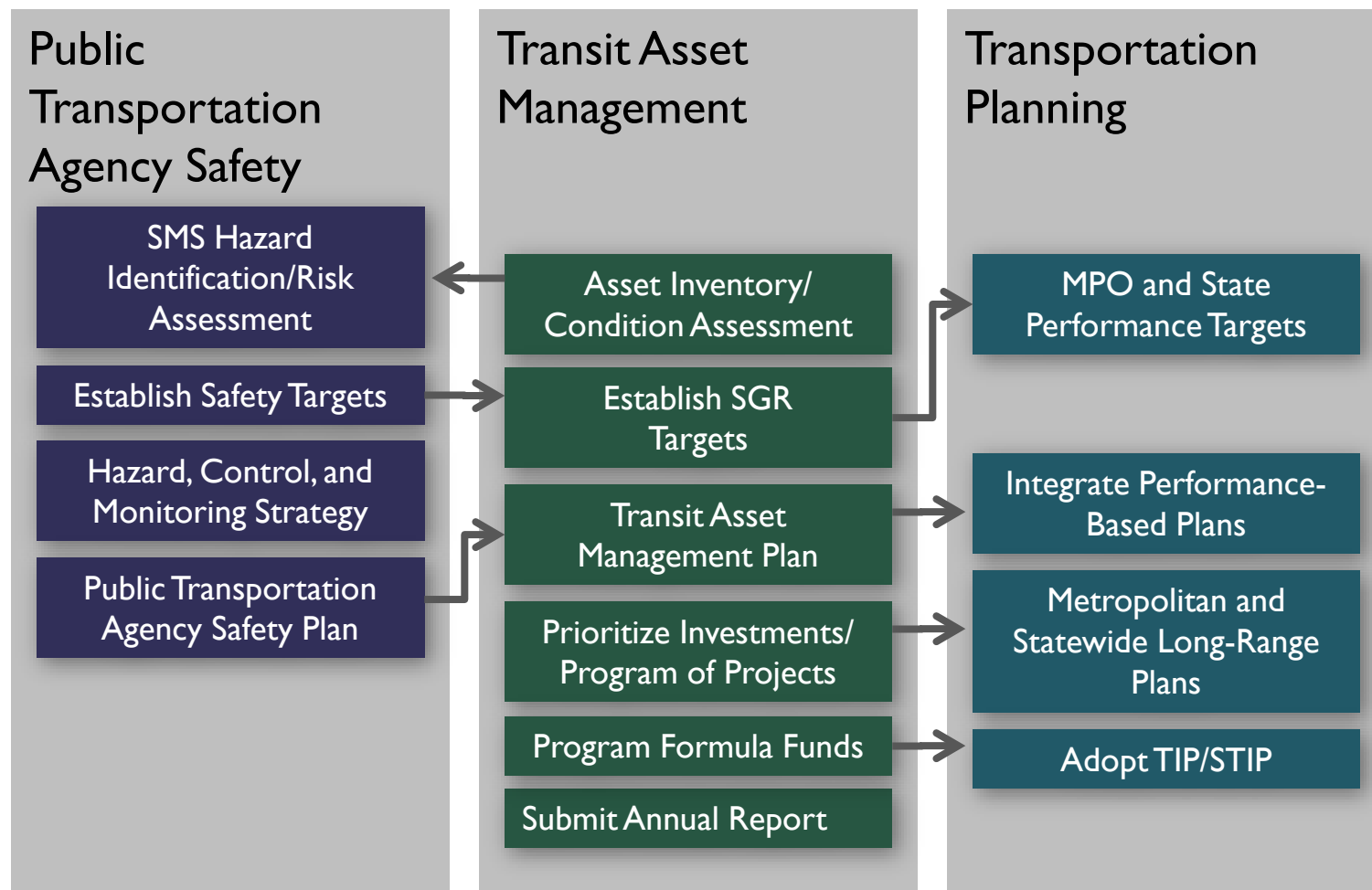
- National Public Transit Safety Plan
- Public Transportation Agency Safety Plan
- Transit Asset Management

FHWA

- Safety Performance
- Pavement and Bridge Condition
- System Performance & CMAQ
- Highway Safety Improvement Program
- Highway Asset Management Plan

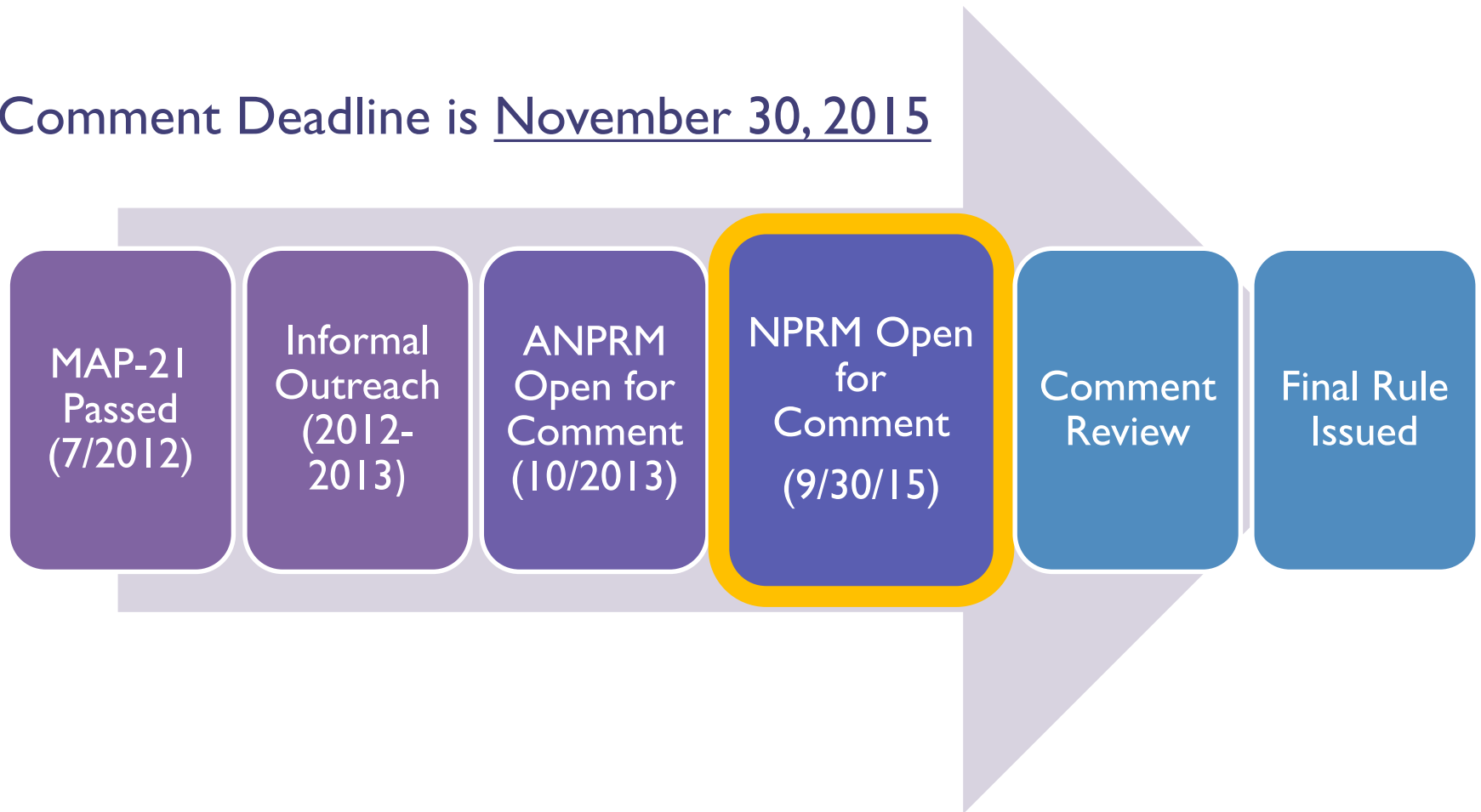
- Statewide and Metropolitan Planning

Linking Proposed Regulations



Where Are We In the Process?

Comment Deadline is November 30, 2015



Prior Outreach

- Conducted **Online Dialogue** Dec. 2012 to Jan. 2013
 - 739 registered users, 146 total comments, and nearly 1,500 votes on comments
- Released an **Advance Notice of Proposed Rulemaking (ANPRM)** October 2013
 - Posed 123 questions on TAM and Safety
 - Received comments from 167 responders

Transit Asset Management NPRM Outline

- A. General Provisions
- B. National Transit Asset Management System
- C. Transit Asset Management Plans
- D. Performance Management
- E. Recordkeeping and Reporting Requirements

FTA
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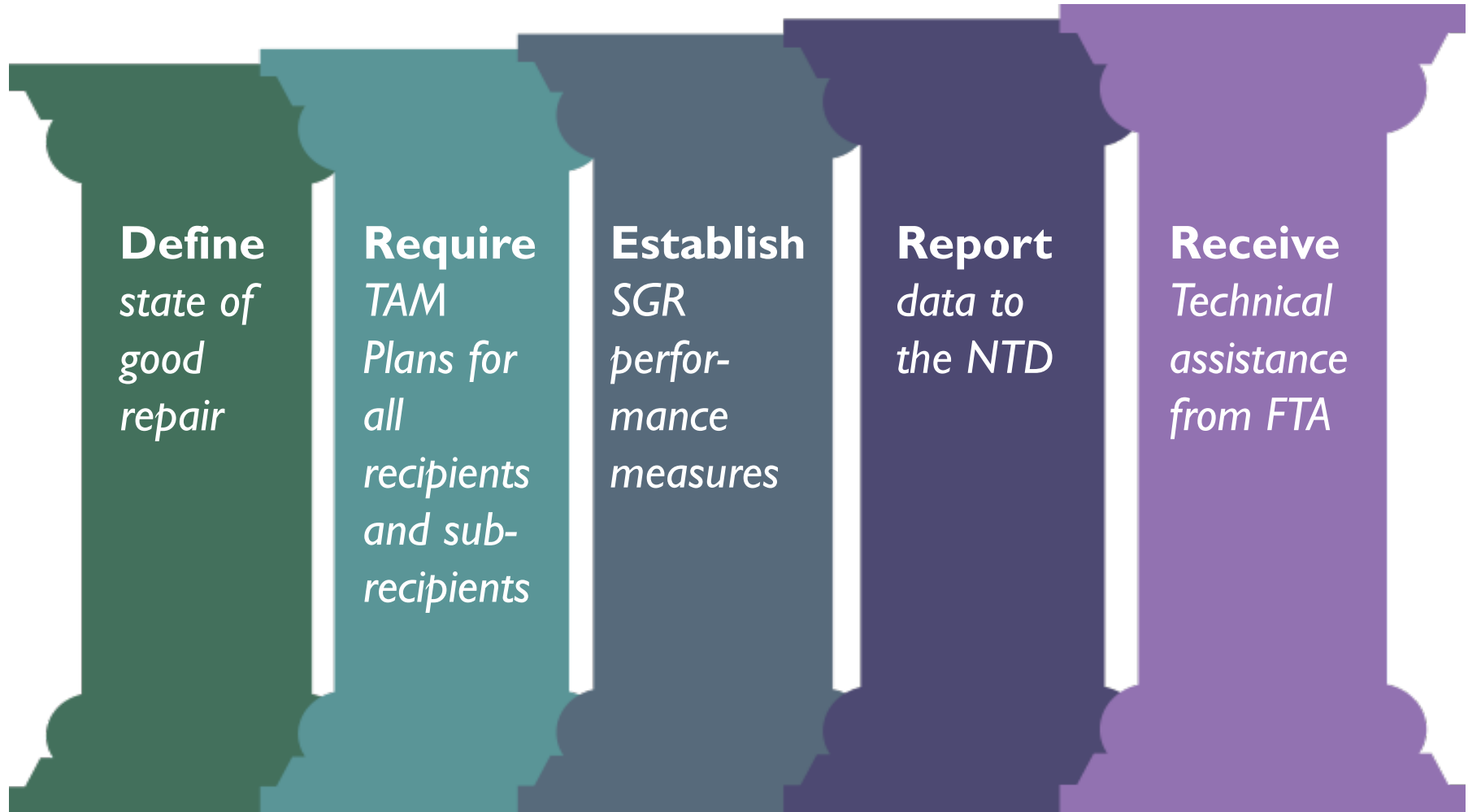
A. General Provisions

- Purpose
 - To help achieve and maintain a state of good repair for the nation's public transportation systems
- Applicability
 - All recipients or subrecipients of Federal financial assistance under 49 U.S.C. Chapter 53 that own, operate, or manage capital assets used in the provision of public transportation
- Definitions

B. National Transit Asset Management System



National Transit Asset Management System



State of Good Repair

The condition in which a capital asset is able to operate at a **full level of performance**. This means the asset:

1. Is able to perform its designed function,
2. Does not pose a known unacceptable safety risk, and
3. Its **lifecycle investments** have been met or recovered.

Potential Cross-Cutting Impacts of SGR Definition

- State of Good Repair Grants(§ 5337) are to “maintain [transit] systems in a *state of good repair*”
- The National Public Transportation Safety Plan(§ 5329) must include the definition of state of good repair
- Metropolitan and Statewide Plans(§ 5303 & 5304) must include transit state of good repair performance targets
- Core Capacity projects (§ 5309(a)(2)) exclude “elements designed to maintain a state of good repair”
- Expedited Project Delivery Certifies that system is in state of good repair

C. Transit Asset Management Plans



Applicability

All providers who are recipients or subrecipients of Federal financial assistance under 49 U.S.C. Chapter 53.

Tier I

- **Operates** rail
- **Over 100** vehicles in peak revenue service



Tier II

- **Does not operate** rail
- **and**
- **100 or fewer** vehicles in peak revenue service
- **or**
- Exclusively receives Federal funds from 5310 or 5311 programs



Responsibility for TAM Plan Development

- Each transit provider must designate an **Accountable Executive**
- Plan Coordination
 - A Tier I provider must develop its own TAM Plan
 - A Tier II provider may participate in a Group Plan or opt out and develop its own TAM Plan
 - A Group Plan participant must collaborate with the sponsor in the development of the plan
- Eligible activity under § 5337, § 5307 & § 5311

Group Plans

- Group Plans compiled by a **sponsor**
 - Generally the State DOT or Designated § 5307 or § 5310 Recipient
- Tier II providers may participate in a **single Group Plan** or may choose to opt out and develop their own TAM Plans
- A Tier I provider can only participate in a Group Plan as a **sponsor**

Proposed TAM Plan Elements

1. Inventory of Capital Assets
2. Condition Assessment
3. Decision Support Tools
4. Investment Prioritization

All Providers
(Tier I & II)



5. TAM and SGR Policy
6. Implementation Strategy
7. List of Key Annual Activities
8. Identification of Resources
9. Evaluation Plan

Tier I only



I. Inventory of Capital Assets



- A listing of all capital assets that a transit provider owns, operates, or manages
 - Includes leased assets and assets operated under contract
 - Includes all assets that would be included in a Program of Projects
- May use existing inventories already collected
 - E.g., existing rolling stock and equipment reports
- Include assets acquired without FTA funds

Examples of Asset Categories and Classes

| Category | Class | |
|----------------|--|--|
| Rolling Stock | <ul style="list-style-type: none">▪ Railcars▪ Buses▪ Paratransit Vehicles | <ul style="list-style-type: none">▪ Cutaways▪ Cars and Vans▪ Ferries |
| Facilities | <ul style="list-style-type: none">▪ Administration▪ Maintenance | <ul style="list-style-type: none">▪ Depots or Terminals▪ Parking Garages |
| Infrastructure | <ul style="list-style-type: none">▪ Rail-Fixed Guideway▪ Signal Systems▪ Structures▪ Catenary | <ul style="list-style-type: none">▪ Mechanical Systems▪ Electrical Systems▪ IT Systems |
| Equipment | <ul style="list-style-type: none">▪ Construction▪ Service Vehicles | <ul style="list-style-type: none">▪ Maintenance |

2. Condition Assessment



- A rating of the inventoried assets
 - E.g., age; good/fair/poor; percentage of residual life
- Ratings should be sufficiently detailed to monitor performance and plan capital investment
- Condition assessments may be collected at the individual or asset class level

3. Decision Support Tools



- List analytical process(es) used to make investment prioritization
 - To estimate capital investment needs over time
 - To assist in prioritization
- The tool does not have to be software

4. Investment Prioritization



- A ranked listing of proposed projects and programs ordered by year of planned implementation
- Prioritization locally determined based on policy and need
- Must adequately consider
 - Identified unacceptable safety risks
 - Accessibility requirements
- Fiscally constrained based on estimated funding levels

5. TAM and SGR Policy



- Transit provider's vision
- Executive-level direction to support the goals of the TAM program
- Documented commitment to achieving SGR
- Defines TAM objectives
- Defines and assigns roles and responsibilities

6. Implementation Strategy



- Operational level process for implementing TAM Plan

7. List of Key Annual Activities



- Description of actions needed to implement TAM Plan for each year of the plan's horizon
 - E.g., software development, coordination between maintenance and finance offices

8. Identification of Resources



- E.g., staff time, technology requirements, funding, etc.

9. Evaluation Plan



- How TAM activities will be monitored, evaluated, and updated to ensure the continuous improvement of TAM practices

TAM Plan Timeframes

- Plans would be updated in their entirety at least every **4 years**
 - Coincide with relevant (Statewide) Transportation Improvement Program
 - Cover at least **4 years**
 - Should be amended during the horizon period when there is a **significant change**
- Initial TAM Plans completed no later than **2 years** after effective date.

D. Performance Measurement



Performance Tracked by Asset Class

| Category | Class |
|----------------|---|
| Rolling Stock | ▪ Class Types in Provider's Inventory |
| Facilities | ▪ Class Types in Provider's Inventory |
| Infrastructure | ▪ Rail Track, Guideway, Signals and Systems |
| Equipment | ▪ Nonrevenue Vehicles |

Proposed Performance Measures

- **Rolling Stock: Age**
 - Percentage of revenue vehicles within a particular asset class that have met or exceeded their Useful Life Benchmark (ULB)
- **Facilities: Condition**
 - Percentage of facilities with a condition rating below 3.0 on the FTA Transit Economic Requirements Model (TERM) scale (*1=Poor to 5=Excellent*)
- **Infrastructure: Performance**
 - Percentage of guideway directional route miles with performance restrictions by class
- **Equipment: Age**
 - Percentage of vehicles that have met or exceeded their ULB

Useful Life Benchmark (ULB)

- ULB \neq Useful life for FTA grant programs
- **Useful Life Benchmark** is defined as the expected lifecycle of a capital asset for a particular Transit Provider's operating environment, or the acceptable period of use in service for a particular Transit Provider's operating environment.
- ULB takes into account a provider's unique operating environment (geography, service frequency, passenger loads)

Targets for Proposed Performance Measures

- Set targets annually for each asset class
- Supported by data
 - Most recent condition data
 - Reasonable financial projections
- Targets for Group Plans apply to the group as a whole
- Reported annually to National Transit Database (NTD)

E. Recordkeeping and Reporting Requirements

Including the role of the National Transit Database



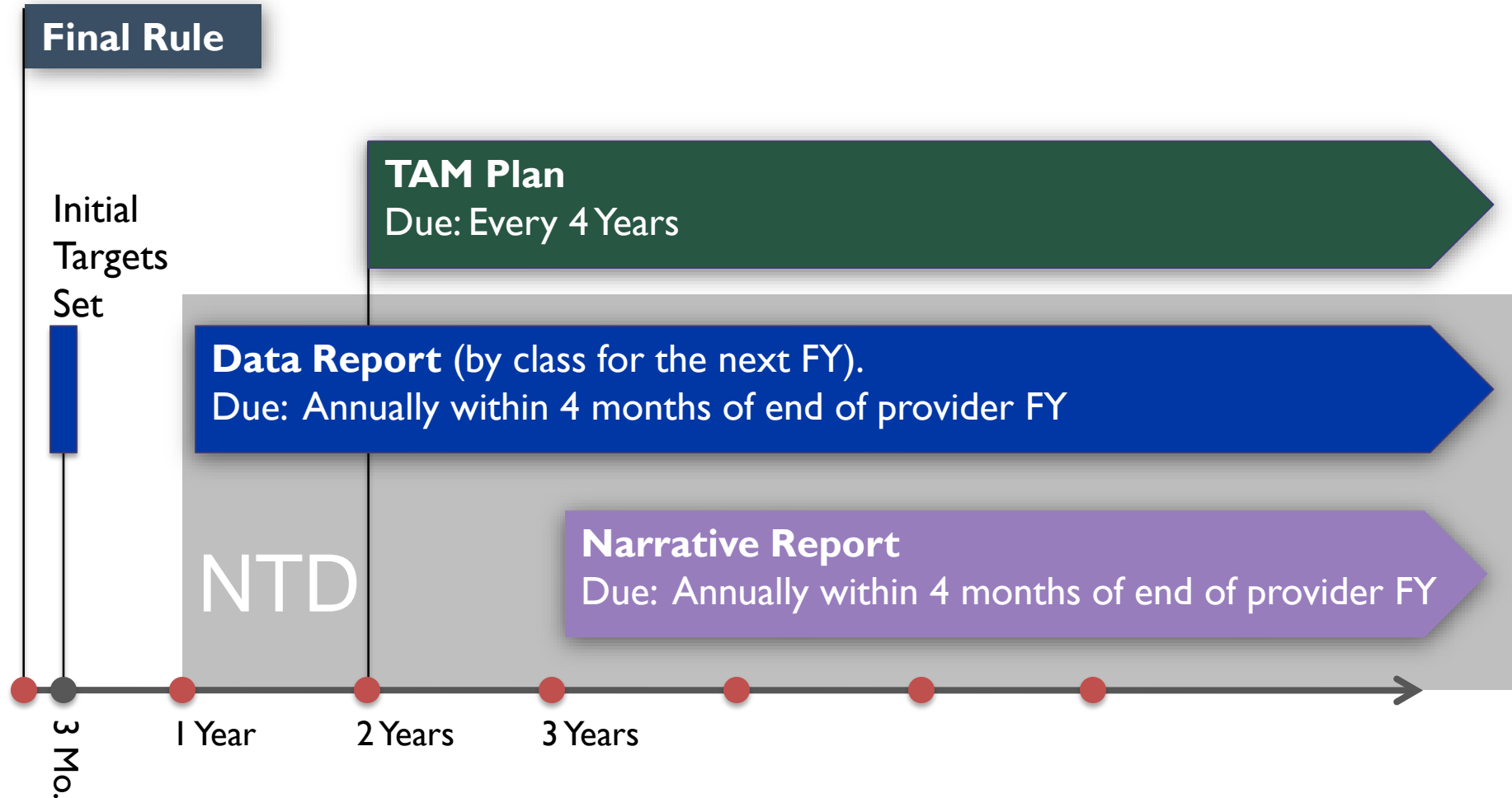
Annual Reporting Requirements

- **Submit to NTD**
 1. **Data Report**
 - Projected performance targets for next fiscal year
 - System Condition and Performance Reports
 2. **Narrative Report**
 - Change in condition
 - Progress toward targets
- **Group Plan Sponsors submit consolidated reports on behalf of their participants**

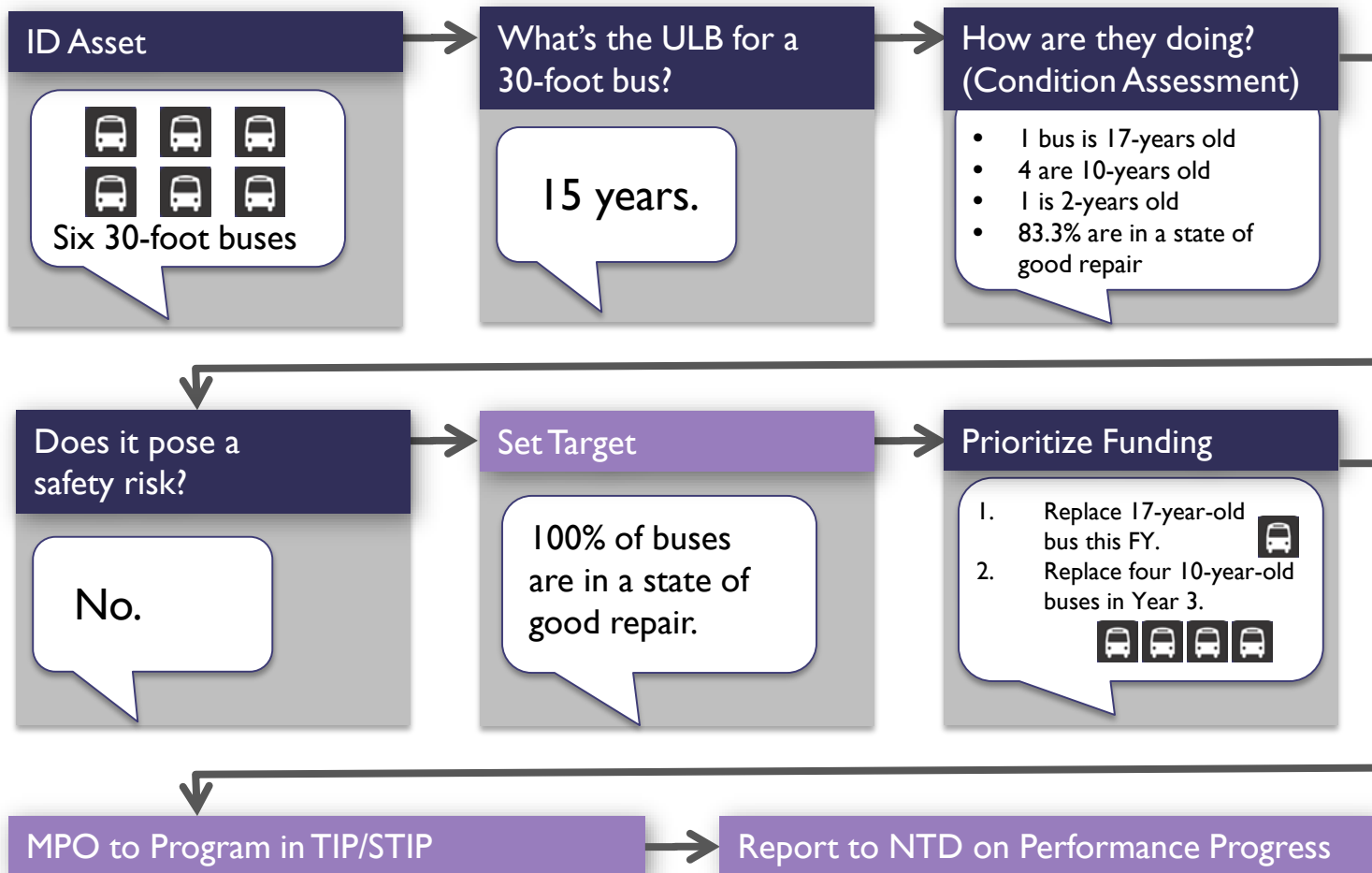
Recordkeeping Requirements

- Maintain records supporting TAM Plan
- Share with State and metropolitan planning organization (MPO) planning agencies
 - TAM Plan
 - Performance targets
 - Investment strategies
 - Annual condition assessments

Illustration of Proposed TAM Timelines



TAM Workflow (Example – 30-ft bus)



Certification

- TAM Plans are Self-Certified by the Accountable Executive
- FTA will update Certifications and Assurances to reflect TAM Plan requirements
- FTA will review Plans and Progress during Triennial and State Management Reviews, as well as during MPO Certification Reviews

Tools



Technical Assistance from FTA



www.fta.dot.gov/sgr

Next Steps



Receive FTA email updates on State of Good Repair and Asset Management at www.fta.dot.gov/sgr

Schedule and Timeline

| Time Period | Providers | FTA |
|--------------------------------------|--|---------------------------------------|
| Comment Period (through November 30) | Provide feedback on the NPRM | Present summary webinars |
| Post-comment period | Begin/continue asset management planning | Conduct industry readiness assessment |
| Final rule issued | Implement rule | Ongoing technical Assistance |

Specific Requests for Feedback

- Cost implications
 - Cost assumptions/estimates. Provide examples from your TAM Projects, experiences
 - Additional costs for states and MPOs in target setting?
 - Any information that could assist in quantifying the costs, benefits, and transfers
- Estimating benefits – information sources and methodologies for estimating the benefits

Feedback (con't)

- Non-statutory criteria
 - Appropriate for Tier I providers?
 - Extended to Tier II providers?
- Proposed group TAM plan requirements
- Proposed deadlines
- How to analyze the benefits and costs of addressing the SGR backlog

Submitting Comments

- **Electronically:** <http://www.regulations.gov>
- **U.S. Mail:**
Docket Operations
USDOT
1200 New Jersey Avenue SE,
West Building
Room W12-140
Washington, DC 20590-0001
- **Hand Deliver:** Docket Operations in Room W12-140 of the West Building, Ground Floor, at 1200 New Jersey Avenue SE, Washington, DC (M-F, 9:00 am – 5:00 pm)
- **FAX:** 202-493-2251

Providing Feedback

- Comments accepted until November 30, 2015
- Comments should identify
Docket # FTA-2014-0020 or
RIN # 2132-AB07
- For clarifying questions or more information,
please contact:

Mshadoni Smith

Mshadoni.Smith@dot.gov

